

**CITY COUNCIL****The City of Orange Township, New Jersey**DATE November 21, 2023NUMBER 458-2023

**TITLE: RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A COMMUNITY BENEFITS AGREEMENT WITH 617 SCOTLAND URBAN RENEWAL LLC FOR THE REDEVELOPMENT OF THE PROPERTY LOCATED AT 611-617 SCOTLAND ROAD AND 517-519 BEACH STREET IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY AS BLOCK 6105, LOTS 2, 3, 4 AND 5**

**WHEREAS**, 617 Scotland Urban Renewal LLC has applied for a long-term tax exemption for a redevelopment project on property located at 611-617 Scotland Road and 517-519 Beach Street in the City of Orange Township identified on the City tax map as Block 6105, Lots 2, 3, 4 and 5 (the "Property") which is located within the Central Valley Redevelopment Area, District 4 and which is governed by the Central Valley Redevelopment Plan; and

**WHEREAS**, as described more fully within the application for long term tax exemption that 617 Scotland Urban Renewal LLC filed with the City, the proposed project consists of the demolition of the existing structures on the Property and the construction of a six (6) story multifamily residential building, consisting of seventy eight (78) market rate rental units, along with seventy eight (78) off-street parking spaces and other amenities (collectively, the "Project"); and

**WHEREAS**, in consideration for the efforts of the City to facilitate the implementation of the Project on the Property, and also in recognition of the impacts of the Project on the residents of the Central Valley Redevelopment Area and of the City, 617 Scotland Urban Renewal LLC has agreed to enter into a Community Benefits Agreement with the City; and

**WHEREAS**, the Community Benefits Agreement shall require 617 Scotland Urban Renewal LLC to make a voluntary community service contribution to the City in the amount of Two Hundred and Seventy-Five Thousand Dollars (\$275,000.00) in the manner described therein which will be used by the City for the public purposes as described within the Redevelopment Agreement; and

**WHEREAS**, the City wishes to approve the Community Benefits Agreement with 617 Scotland Urban Renewal LLC and to authorize the Mayor to sign the Community Benefits Agreement with 617 Scotland Urban Renewal LLC in substantially the form attached to this resolution.

**NOW, THEREFORE, BE IT RESOLVED** by the Municipal Council of the City of Orange Township that:

**SECTION 1:** The Municipal Council hereby approves the Community Benefits Agreement with 617 Scotland Urban Renewal LLC in substantially the form attached hereto and authorizes the Mayor to sign the Redevelopment Agreement with 617 Scotland Urban Renewal LLC on behalf of the City.

**SECTION 2:** All other resolutions or parts of resolutions in conflict or inconsistent with this resolution are hereby repealed, but only to the extent of such conflict or inconsistency.

**SECTION 3:** All headings within this resolution are for convenience only and are not deemed to be part of this resolution.

**SECTION 4:** This resolution shall take effect as provided by law.

**ADOPTED: November 21, 2023**

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Joyce L. Lanier  
Municipal Clerk

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Tency A. Eason  
Council President

## COMMUNITY BENEFITS AGREEMENT

**THIS COMMUNITY BENEFITS AGREEMENT** (this “**Agreement**”), is made as of \_\_\_\_\_, 2023, by and among **617 Scotland Urban Renewal LLC**, a New Jersey limited liability company having an address of 5308 13<sup>th</sup> Avenue, #197, Brooklyn, New York 11219 (the “**Redeveloper**”), and the **City of Orange Township**, a municipal corporation of the State of New Jersey, having an address at 29 North Day Street, Orange, New Jersey 07050 (the “**City**”).

### **WITNESSETH:**

**WHEREAS**, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “**Redevelopment Law**”), provides a process for municipalities to participate in the redevelopment and improvement of areas designated by the municipality as an area in need of redevelopment; and

**WHEREAS**, the Redeveloper owns certain property located at 611-617 Scotland Road and 517-519 Beach Street in the City identified on the City tax map as Block 6105, Lots 2, 3, 4, and 5 (the “**Property**”); and

**WHEREAS**, the Property is located within the Central Valley Redevelopment Area, District 4, which was designated by the City in accordance with the requirements of the Redevelopment Law; and

**WHEREAS**, the Redeveloper has been qualified by the State of New Jersey to do business as an urban renewal entity under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**LTTE Law**”), and was created for the development, operation and maintenance of the Project; and

**WHEREAS**, the Redeveloper intends to improve, renovate and rehabilitate the Property by demolishing the existing structures on the Property and constructing a six (6) story multifamily residential building, consisting of seventy eight (78) market rate rental units, along with seventy eight (78) off-street parking spaces (the “**Project**”), as more fully described within the application that the Redeveloper filed with the City seeking a long term tax exemption for the Project under the LTTE Law; and

**WHEREAS**, the Redeveloper and the City seek to maximize the benefits of the Project to the residents in and around the City; and

**WHEREAS**, pursuant to this Agreement, the Redeveloper will establish certain community benefits to the City in consideration for the efforts of the City to facilitate the implementation of the Project and in recognition of the impacts of the Project to the City;

**NOW, THEREFORE**, in consideration of the foregoing, of mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereby agree as follows:

1. **Definitions.** The recitals set forth above are hereby made a part of this Agreement. Any capitalized term hereunder not otherwise specifically defined will carry the same meaning ascribed to such capitalized term under the Financial Agreement (as such term is herein defined).

2. **Community Benefits.** The Redeveloper hereby agrees and acknowledges that the Redeveloper shall make the following contributions to facilitate the Project, improve the quality of life for all residents and accomplish positive community impacts from the Project (the “Community Benefits”).

a. **Contributions.** The Community Benefits shall consist of a voluntary community service contribution in the amount of Two Hundred and Seventy-Five Thousand Dollars (\$275,000.00). One half of this contribution equal to One Hundred and Thirty-Seven Thousand and Five Hundred Dollars (\$137,500.00) shall be submitted upon receipt of building permits for the Project. The remaining one half of the contribution equal to One Hundred and Thirty-Seven Thousand and Five Hundred Dollars (\$137,500.00) shall be submitted upon the issuance of the Certificate of Occupancy for the Project. It is the intent of the City to use such contributions for municipal programs intended to improve the quality of life for City residents and to accomplish positive community impacts from the Project. However, said contribution shall be used, at the sole discretion of the City, for any lawful purpose.

b. **Limitation.** Notwithstanding anything in this Agreement or the Financial Agreement to the contrary, neither the Redeveloper nor any affiliate thereof shall be under any obligation whatsoever to undertake any act, or fail to undertake any act, hereunder if doing so would constitute a violation of any federal, state, local or municipal, statute, law, rule, regulation, ordinance, code, order, injunction, judgment, decree or ruling, by which such entity is bound or to which it is subject.

3. **Term.** The Redeveloper shall comply with the terms and conditions of this Agreement at all times for so long as the Financial Agreement is in force and effect.

4. **Default; Cure Upon Default.** Should the Redeveloper be in breach or default under this Agreement, the City shall send written notice to the Redeveloper of the breach or default (“Default Notice”). The Default Notice shall set forth with particularity the basis of the alleged Default. The Redeveloper shall have sixty (60) days, from receipt of the Default Notice, to cure any Default. However, if a Default cannot be cured within sixty (60) days using reasonable diligence, the time to cure shall be extended for an additional thirty (30) days (or for an additional period in the sole discretion of the City) for so long as the Redeveloper is diligently pursuing such cure to completion. Failure to cure a breach or default within the period set forth herein shall be an Event of Default. The Parties acknowledge that an Event of Default hereunder shall also constitute an Event of Default under the Financial Agreement.

5. **Representations and Warranties.** The Redeveloper represents to the City that it has authority to enter into this Agreement, and the execution of this Agreement has been duly authorized by all necessary corporate action, and is valid and binding upon, and enforceable against, the Redeveloper in accordance with its terms.

6. Cooperation and Good Faith. The City shall cooperate with the Redeveloper in the Redeveloper's performance of its obligations hereunder. The parties further agree to act reasonably and in good faith in performing their respective roles and responsibilities pursuant to this Agreement.

7. Notices. All notices and other communication permitted or required hereunder shall be made in accordance with the terms of the Financial Agreement.

8. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed, interpreted and enforced in all respects in accordance with the laws of the State of New Jersey.

9. Counterparts. This Agreement and any amendments hereof may be executed in counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

SIGNATURE PAGE TO FOLLOW

**IN WITNESS WHEREOF**, the undersigned have executed this Community Benefits Agreement as of the day and year first above written.

Attest:

**CITY OF ORANGE TOWNSHIP**

By: \_\_\_\_\_

Name:  
Title: Clerk

By: \_\_\_\_\_

Name: Dwayne D. Warren, Esq.  
Title: Mayor

Witness:

**617 SCOTLAND URBAN RENEWAL,  
LLC**

By: \_\_\_\_\_

Name:  
Title:

By: \_\_\_\_\_

Name: Solomon Goldberger  
Title: Managing Member

